



The Contractor EHS Management Process

2012 EHSCP – Santa Rosa, CA

A process and philosophy to *manage AND influence* contractors, subcontractors and non-company personnel.

Proceed with confidence.

Presented by: Kent Kunce

Objectives

- Why have a contractor EHS management process
- Real world evolution
- The contractor EHS management process
- Challenges and learning points
- Success
- Benefits





Why be Interested?

Assumptions: \$500 million capital budget
25% Labor
Ave Insurance Rate \$10.75 per \$100

Expected Credits: $((\$500M \times .25)/100) \times \$10.75 =$

\$13,437,500 (approx. 2.6% of project)

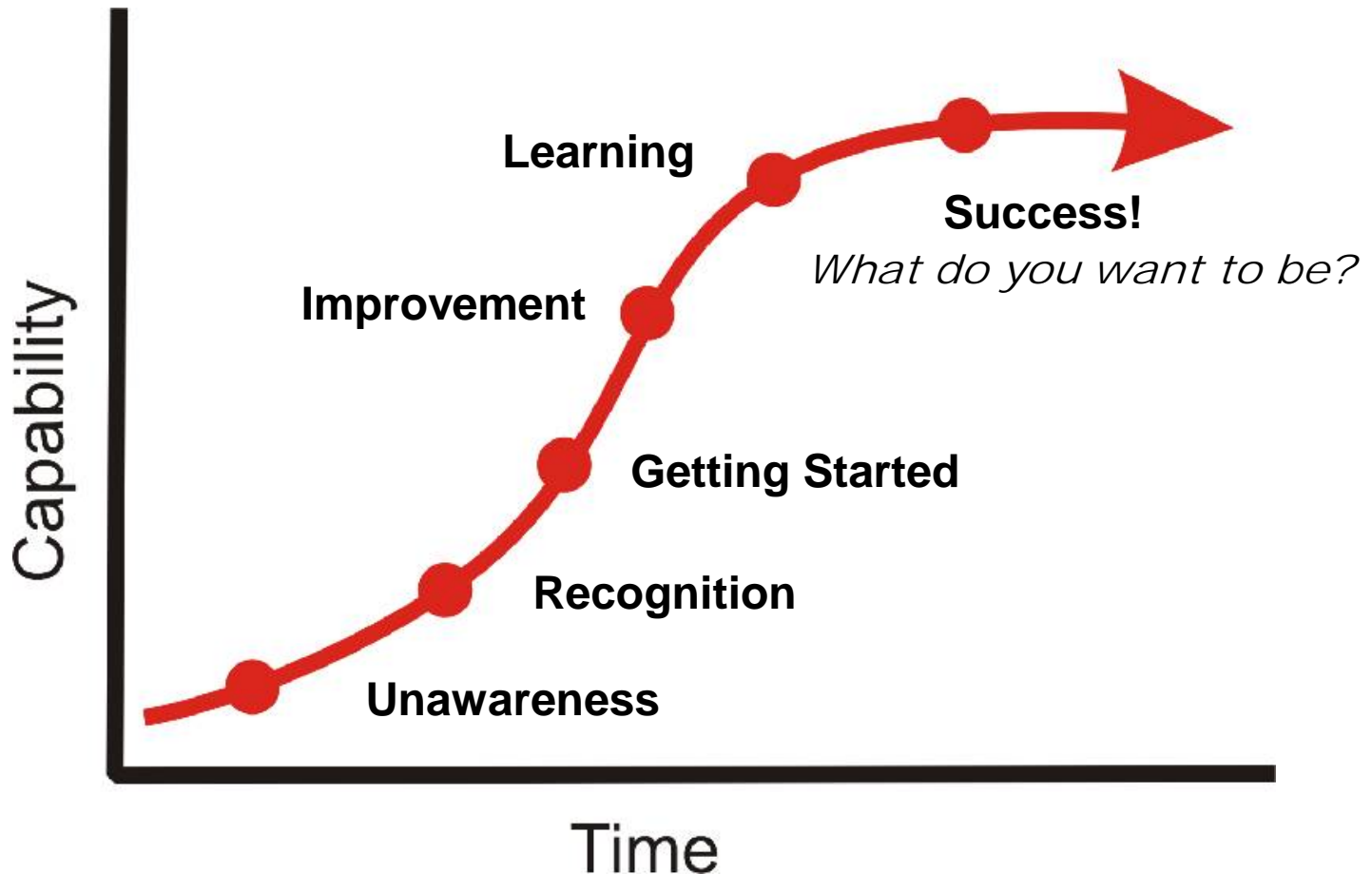
Additional Consideration: Experience Modification Rate



Why be Interested?

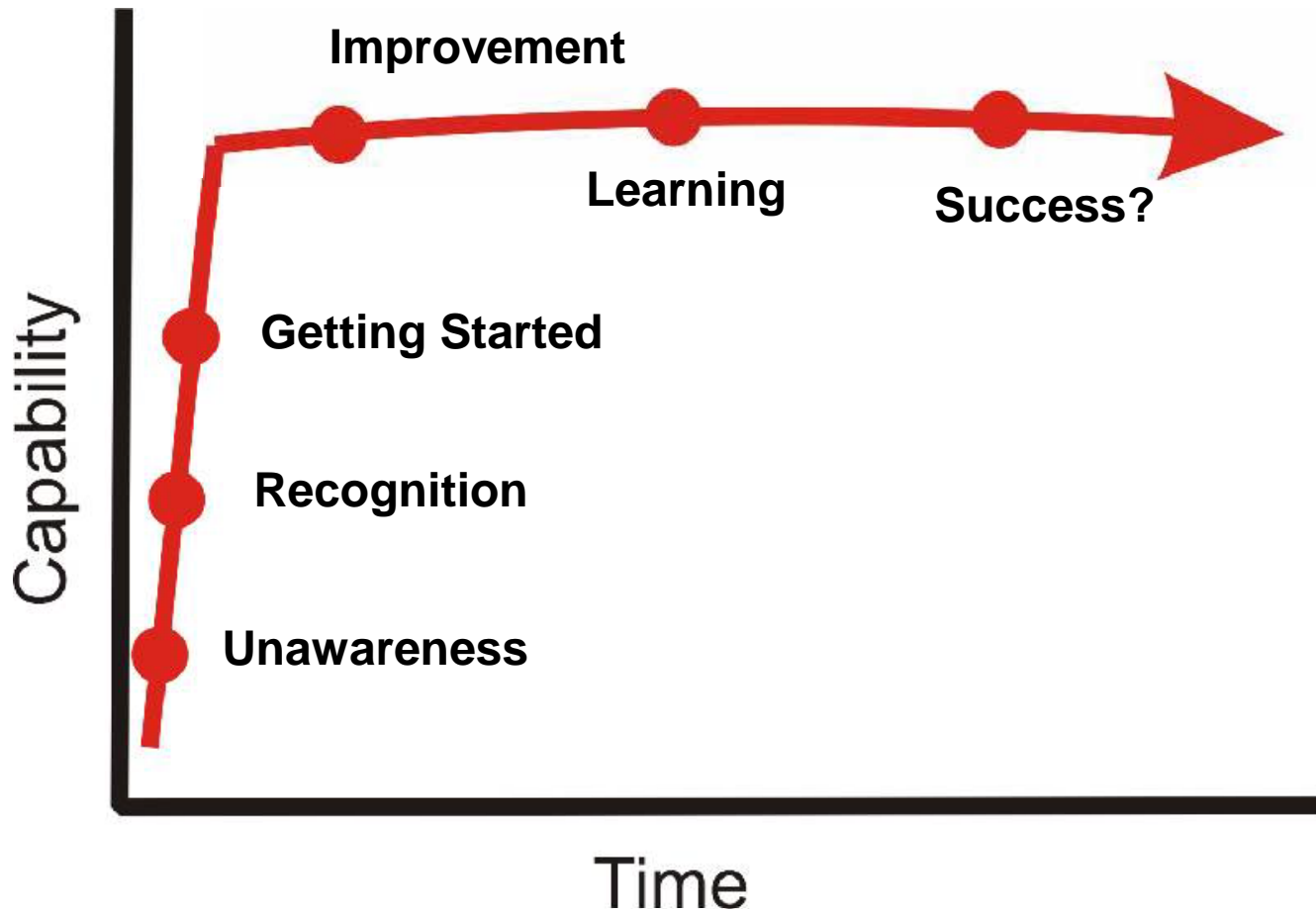


The Learning Curve



Why be Interested?

The “Real World” Learning Curve



The Process Balance

Too much – control, direct, take over



Just right – manage, hold accountable

Not enough – hands off, comply with given standards, laws

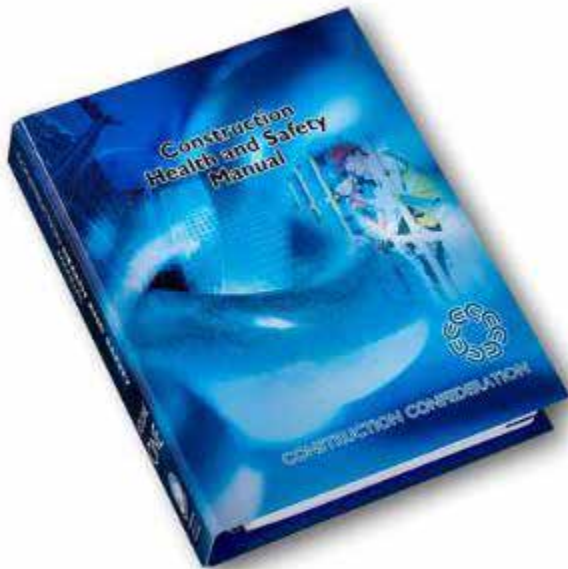


The Process

Written Contractor EHS Mgt Program

Administrative Section

- Policy Statement
- Goals for Process
- Disciplinary Action
- Emergency Procedures
 - » News Media
- Promotion, Signage
- Partnerships
- Recognition Program
- Required Training
- Roles and Responsibilities
- Work Hour Reporting



Technical Section

Pre-Work Activities

- EHS Project Checklist
 - Review and Address Package/Project Logistics and Hazards

- *Contractor Prequalification System*
 - Written Safety Programs
 - Experience Modification Rate
 - Incident Statistics
 - Program Evaluations
 - Implementation Evaluations



Pre-work



Pre-Bid Activity

– *Communicate “Unique”* **Contract** Requirements:

- Subcontractor Prequal
- Designated EHS Person
- Training Certification
- Incident Reporting
- Site Specific/Daily Plans
- Equipment Inspection
- Field EHS Reviews
- EHS Committee
- Lead Team - Council
- Vehicle Requirements
- Personal Protective Equipment
- Permits
- Fall Protection
- Recognition Plan
- Orientation
- Substance Abuse
- Training and Tool Box Talks
- Partnerships
- Communications
- Project EHS Requirements

*Competent Persons
Certifications
Orientation Requirements
Site Specific Plans*

Contracting

More Communication

- Confirm EHS Expectations
 - » Subcontractor Information
 - » EHS Plans
 - » Training Certifications
 - » Designated EHS Person, Committee members, etc.



Work...almost



Site Communication

- Contractor Management and Onsite Supervision
 - Site Programs/Standards/Req'ts./Procedures
 - Purpose/Details of the Project
 - *Leadership expectation*
- Periodic
- Craft Persons
- EHS Orientation and Handbook
 - Site Programs/Standards/Req'ts./Procedures
 - Purpose/Details of the Project
- Updates as needed



Ongoing Activities

- Permit System
 - Hot Work, Lockout, Scaffolding, etc.
- Training, Learning
 - *EHS Observations*
 - Progress Meetings
 - EHS Committee Meetings
 - Tool Box Talks
- EHS Plans
 - Site Plans
 - Substance Abuse Programs
 - Disciplinary Action



Process Verification

- Leading Metrics
 - Systems
 - » Prequalification
 - » Orientation
 - » Incident Reporting
 - » Training
 - » EHS Plans
 - » Observations - Inspections
 - » Substance Abuse Program
- Trailing Metrics
 - Recordable and Lost Time Incidents



Communications



Organized Consistent System

- **Project Progress Meetings**
 - Field Conditions
 - Activities
- **Reports**
 - Prevention Techniques
 - Learning Points / Incidences
 - Leading Metrics
- **Bulletin/EHS Boards**
 - Planned Activities
 - Recognition



Management

- Treatment
- Reporting

Analysis

- Incidents, Near Hit/Observation
 - Structured, Documented Review with Contractor



The Challenges

Documented Process → Administrative → Planning → Prequalification → Contracting → Site Communication → Ongoing Field Activities → Verification → Incidences → Learning

Fundamental

- Contractor and Subcontractor Education
- Documented Program and Specifications
- Role/Responsibilities
 - Owner
 - Construction Manager
 - General Contractor
 - Safety
- Financial Investment
 - Administrative (Staff)
 - Programs (Specifications, Recognition)



- Administrative
 - Types of Contractors
 - Contract Management
 - # of Contracts, # of Project Managers/Engineers
 - Medical
 - Case Management – who does what? (CM, contractor, subcontractor)
 - Onsite, Designated, etc
 - Substance Abuse Programs



- Tangible
 - Security
 - Contractor Personnel Tracking
 - Work Hour Collection
- Intangible
 - Leadership Education and Execution
 - Teamwork
 - EHS Culture



Success



It's Culture

Defined as the beliefs, values, and behaviors that are ***consistent*** among all members of a population



“the company with the best EHS record also had the most consistent EHS culture”

Success?



We “DO” everything ...

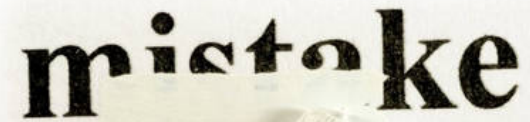
- talk EHS
- spend a fortune
- wear hard hats
- follow the rules
- have incentives
- have a EHS person
- have a EHS program
- do tool box talks
- perform audits
- have discipline

But we don't get results!!!

Just tell me what to do!!!



Success?

A photograph of a lit matchstick. The word "mistake" is written in a black, serif font across the top of the matchstick. The match is lit, with a small flame and a textured, greyish tip where the wood is burning.

mistake

The answer is not...

- believing compliance is EHS
- exhibiting EHS performance is common sense
- discussing recordability in front of the injured
- discussing insurance ratings in front of the injured
- delegating EHS responsibilities
- believing discipline alone promotes EHS behaviors
- stating “incidents happen”
- etc., etc....,

The Answer is...

Participation

Being on the jobsite and having shared ownership of values.*

Inspiration

Being complimentary, praising, thanking, and utilizing/facilitating teamwork & professionalism.

Action

Having a process and being a role model.

Trust

Being honest, sincere, and involved. Treating people with respect, care, and dignity.

Persuasion

Being excited and passionate. Having "can do" energy.**

Return on Investment

- Sense of DOING the RIGHT THING!!
 - Improved EHS Performance
 - \$\$ Savings to Contractor and subs
 - External Recognition / Marketing
 - Successful Contractor Performance
 - Services
 - Projects



Summary

- Why be Interested?
- The Process
- The Challenges
- Success
- Benefits

